U.S. Department of the Interior Bureau of Land Management Little Snake Field Office 455 Emerson Street Craig, CO 81625-1129

ENVIRONMENTAL ASSESSMENT

EA-NUMBER: CO-100-2006-077 EA

CASEFILE/PROJECT NUMBER/LEASE NUMBER: COC59223

PROJECT NAME: Silver Federal Well #1

LEGAL DESCRIPTION: Lot 12 Sec. 17, T12N, R91W, 6th PM, Moffat County, Colorado

APPLICANT: Yates Petroleum Corporation

PLAN CONFORMANCE REVIEW: The proposed action is subject to the following plan:

Name of Plans: Little Snake Resource Management Plan and Record of Decision (ROD) approved on April 26, 1989; and the Colorado Oil and Gas Leasing & Development Environmental Impact Statement (EIS) and the ROD signed on November 5, 1991.

Remarks: The proposed Silver Federal Well #1 would be located within Management Unit 6 (Little Snake Resource Management Plan). The objectives of Management Unit 6 are to maintain and improve critical habitat for sage grouse, mule deer, and pronghorn antelope. Public lands are open to oil and gas development consistent with the management objectives.

The proposed action was reviewed for conformance with this plan (43 CFR 1610.5, BLM 1617.3). The proposed action is in conformance with the objectives for this management unit.

NEED FOR PROPOSED ACTION: To provide for the development of oil and gas resources and to supply energy resources to the American public.

PUBLIC SCOPING PROCESS: The Notices of Staking (NOSs) have been posted in the public room of the Little Snake Field Office for a 30-day public review period beginning April 26, 2006 when the NOSs were received, and may be viewed during regular business hours (7:45 a.m. to 4:30 p.m.), Monday through Friday, except holidays.

<u>DESCRIPTION OF PROPOSED ACTION AND ALTERNATIVES</u>: The proposed action is to approve one Application for Permit to Drill (APD) submitted by Yates Petroleum Corporation. Yates proposes to drill one natural gas well on private land located in Lot12

Section 17, T12N, R91W. An APD has been filed with the LSFO for the well, the Silver Federal Well #1. The APD includes drilling and surface use plans that cover mitigation of impacts to vegetation, soil, surface water, and other resources. Mitigation not incorporated by Yates in the drilling and surface use plans would be attached by the BLM as Conditions of Approval to the approved APD.

The proposed well is located approximately 4 miles southwest of Baggs, Wyoming. Construction work is planned to start in the summer/fall of 2006 and the estimated duration of construction and drilling is 30 days. Moffat County Road #2N would be used to access the well. A short new access road (175 feet) would be constructed for the well. Total surface disturbance for new road construction would be approximately two-tenths of an acre. All new road construction would be on lease and on private surface. No upgrading to MCR 2N is anticipated. No new or amendments to existing Rights-of-Way are anticipated.

The proposed well pad would be cleared of all vegetation and leveled for drilling. Topsoil and native vegetation would be stockpiled for use in reclamation. Approximately two (2) acres would be disturbed for construction of the well pad. This would include the 300' by 230' well pad, the topsoil, and subsoil piles. A reserve pit would be constructed on the well pad to hold drill mud and cuttings. If the gas well is a producer, cut portions of the well site would be backfilled and unused portions of the well site would be stabilized and re-vegetated. If the gas well proves unproductive, it would be properly plugged and the entire well pad and access road would be reclaimed.

Yates did not include plans for a gas sales pipeline with the APDs. A detailed written statement of work (Sundry Notice) would be filed with the BLM before pipeline installation. This Sundry Notice would be assessed, when it is received, for environmental impacts of a gas sales pipeline.

NO ACTION ALTERNATIVE: The "no action" alternative is that the well would not be permitted and therefore no well would be drilled. Yates Petroleum Corporation holds a valid and current oil and gas lease for the area where the proposed Silver Federal Well #1 would be located. Under leasing contracts, the BLM has an obligation to allow mineral development if the environmental consequences are not irreversible or too severe. The APD process is designed to overcome the no action situation of not accepting the APD through the mitigation of predicted environmental consequences. Since the proposed action is consistent with the ROD and the Oil and Gas Leasing EIS, rejecting the APD for the well was considered but will not be analyzed further in this EA.

AFFECTED ENVIRONMENT/ENVIRONMENTAL CONSEQUENCES/MITIGATION MEASURES

CRITICAL RESOURCES

AIR QUALITY

Affected Environment: There are no special designation air sheds or non-attainment areas nearby that would be affected by the proposed action.

Environmental Consequences: Short term, local impacts to air quality from dust would result during and after well pad construction. Drilling operations produce air emissions such as exhaust from diesel engines that power drilling equipment. Air pollutants could include nitrogen oxides, particulates, ozone, volatile organic compounds, fugitive natural gas, and carbon monoxide. Gas flaring reduces the health and safety risks in the vicinity of the well by burning combustible and poisonous gases like methane and hydrogen sulfide. The proposed action will not adversely affect the regional air quality.

Mitigative Measures: None

Name of specialist and date: Barb Blackstun 05/24/06

AREA OF CRITICAL ENVIRONMENTAL CONCERN

Affected Environment: Not present.

Environmental Consequences: Not applicable.

Mitigative Measures: Not applicable.

Name of specialist and date: Jim McBrayer 05/31/06

CULTURAL RESOURCES

Affected Environment: Cultural resources, in this region of Colorado, range from late Paleo-Indian to Historic. For a general understanding of the cultural resources in this area of Colorado, see *An Overview of Prehistoric Cultural Resources, Little Snake Resource Area, Northwestern Colorado*, Bureau of Land Management Colorado, Cultural Resources Series, Number 20, *An Isolated Empire, A History of Northwestern Colorado*, Bureau of Land Management Colorado, Cultural Resource Series, Number 2 and *Colorado Prehistory: A Context for the Northern Colorado River Basin*, Colorado Council of Professional Archaeologists.

Environmental Consequences: The proposed project, the Yates Silver Federal #1 well

Pad and Access Road have undergone a Class III Cultural Resource Survey.

Pastor, Jana

Yates Petroleum Corporation, Silver Federal #1 Well and Access Road, Class III Cultural Resource Inventory, 06-WAS-386 BLM 12.44.06, Western Archaeological Services, Rock Springs, Wyoming.

The survey identified **no** eligible to the National Register of Historic Places prehistoric cultural resources. The proposed project may proceed as described in this EA with the following mitigative measures in place.

Mitigative Measures: The following standard stipulations apply for this project.

- 1. The operator is responsible for informing all persons who are associated with the operations that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are encountered or uncovered during any project activities, the operator is to immediately stop activities in the immediate vicinity of the find and immediately contact the authorized officer (AO) at (970) 826-5000. Within five working days, the AO will inform the operator as to:
- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the identified area can be used for project activities again; and
- Pursuant to 43 CFR 10.4(g) (Federal Register Notice, Monday, December 4, 1995, Vol. 60, No. 232) the holder of this authorization must notify the AO, by telephone at (970) 826-5000, and with written confirmation, immediately upon the discovery of human remains, funerary items, sacred objects, or objects of cultural patrimony.
- Further, pursuant to 43 CFR 10.4(c) and (d), you must stop activities in the vicinity of the discovery and protect it for 30 days or until notified to proceed by the authorized officer.
- 2. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator will then be allowed to resume construction.

Name of specialist and date: Gary D. Collins 06/02/06

ENVIRONMENTAL JUSTICE

Affected Environment: The project would not directly affect the social, cultural, or economic well being and health of Native American, minority or low-income populations. The project area is relatively isolated from population centers, so no populations would be affected by physical or socioeconomic impacts from the project.

Environmental Consequences: None.

Mitigative Measures: None.

Name of specialist and date: Louise McMinn 05/31/06

FLOOD PLAINS

Affected Environment: Active floodplains and flood prone zones are avoided.

Environmental Consequences: No threat to human safety, life, welfare, or property will result from the proposed action.

Mitigative Measures: None

Name of specialist and date: Barb Blackstun 05/24/06

INVASIVE, NONNATIVE SPECIES

Affected Environment: Halogeton, downy brome (cheatgrass) and other annual weeds are known to occur along roadsides, well pads and other disturbed areas. Several species of biennial thistles are known to occur in this area. Leafy spurge, Russian knapweed, spotted knapweed and other noxious weeds exists in the area of this proposed well pad.

Environmental Consequences: The surface disturbing activities and associated traffic involved with drilling a new well and constructing the access road will create a favorable environment and provide a mode of transport for invasive species and other noxious weeds to become established. Invasive species can be spread through a variety of means including by vehicular travel, wildlife and livestock movement, wind, and water. Mitigation attached as Conditions of Approval to minimize disturbance and obtain successful interim reclamation of the unused areas of the well pad and access road, as well as weed control utilizing herbicide applications will help to control the invasive species and reduce the potential of long term infestation of annual and noxious weed species. All principles of Integrated Pest Management should be employed to control noxious weeds on public lands.

Mitigative Measures: None

Name of specialist and date: Ole Olsen 05/31/06

MIGRATORY BIRDS

Affected Environment: There are no raptor nests located within a one-mile radius of the proposed well site. One species listed on USFWS's Bird of Conservation Concern List, the sage sparrow, likely nests in the area. Additional birds that may nest in the area include the vesper sparrow and sage thrasher.

Environmental Consequences: The proposed action has a low potential to result in the take of any migratory bird species. Nesting of migratory birds may be disrupted and nests could be lost if construction activities are conducted during the nesting period (May – July). As this would only impact approximately 2 acres of sagebrush habitat, the potential of take would remain low. Disturbing 2 acres of nesting habitat would not significantly impact migratory birds, however, increased fragmentation of habitat from oil and gas development may decrease the suitability of the habitat for some species. It is unlikely that this disturbance would have a measurable influence on the abundance or distribution of breeding migratory birds at a landscape level.

Mitigative Measures: None

Name of specialist and date: Timothy Novotny 05/31/06

NATIVE AMERICAN RELIGIOUS CONCERNS

A letter was sent to the Uinta and Ouray Tribal Council, Southern Ute Tribal Council, Ute Mountain Ute Tribal Council, and the Colorado Commission of Indian Affairs on January 21, 1999. The letter listed the projects that the BLM would notify them on and projects that would not require notification. No comments were received (Letter on file at the Little Snake Field Office). This project requires no additional notification.

Name of specialist and date: Gary D. Collins 06/02/06

PRIME & UNIQUE FARMLANDS

Affected Environment: Not Present

Environmental Consequences: None

Mitigative Measures: None

Name of specialist and date: Barb Blackstun 05/24/06

T&E SPECIES – ANIMALS

Affected Environment: There are no threatened or endangered species or habitat for such species in or near the project area.

Environmental Consequences: None

Mitigative Measures: None

Name of specialist and date: Timothy Novotny 05/31/06

T&E SPECIES – PLANTS

Affected Environment: There are no federally listed threatened or endangered plant species within or in the vicinity of the Proposed Action.

Environmental Consequences: None

Mitigative Measures: None

Name of specialist and date: Hunter Seim 05/25/06

T&E SPECIES - SENSITIVE PLANTS

Affected Environment: There are no BLM sensitive plant species within or in the vicinity of the Proposed Action.

Environmental Consequences: None

Mitigative Measures: None

Name of specialist and date: Hunter Seim 05/25/06

WASTES, HAZARDOUS OR SOLID

Affected Environment: If the release does occur, the environment affected would be dependent on the nature and volume of material released. If there are no releases, there will be no impact on the environment.

Environmental Consequences: Consequences will be dependent on the volume and nature of the material released. In most every situation involving hazardous materials, there are ways to remediate the area that has been contaminated. Short-term consequences will occur, but they can be remedied, and long-term impacts will be minimal.

Mitigative Measures: None

Name of specialist and date: Duane Johnson 05/24/06

WATER QUALITY/HYDROLOGY – GROUND

Affected Environment: Near surface waters will be protected by the surface casing and cement behind pipe. Potable water is highly unlikely in this area. The surface casing is from 700' to the surface with cement behind pipe. The TOC for the production casing is 1700'. This will cover from TD up into the Lance Formation. Water within the coals and other porous units within the Wasatch, Fort Union and Lance Formations can be allowed to commingle.

Environmental Consequences: With the use of proper construction practices, drilling practices, and with best management practices no significant adverse impact to groundwater aquifers and quality is anticipated to result from the proposed action. A geologic and engineering review was performed on the 8-point drilling plan to ensure that the cementing and casing programs adequately protect the downhole resources. If the well is completed as a CBM well in the future, disposal of the produced water from dewatering the coal seams will have to addressed in a Sundry Notice.

Mitigative Measures: Notify the operator that if the well is completed as a CBM well, that will require disposal of produced water, to submit a Sundry Notice explaining in detail the plans to dispose of water on the surface or in the subsurface.

Name of specialist and date: Fred Conrath 06/07/06

WATER QUALITY/HYDROLOGY - SURFACE

Affected Environment: The well location and access road are staked on very level terrain. Runoff water affected by this project would flow in a southerly direction to Four Mile Creek, a tributary of the Little Snake River. All stream segments within the affected environment are presently supporting their classified uses.

Environmental Consequences: The well location would require new construction of one access road of approximately 175 feet. Construction of the new road, well pad, pipeline, and installation of drainage features should follow the recommendations provided in the Surface Operating Standards for Oil and Gas Development, 3rd Edition.

Increased sedimentation to Four Mile Creek and the Little Snake River during spring runoff or from high intensity summer/fall rainstorms would be the greatest potential impact to water quality. Localized increases in water turbidity and contamination due to fluid leaks or spills from equipment are potential impacts to waterways as a result of the project. Although some sediment may be transported off site and eventually reach perennial waters, the mitigation provided in the Surface Use Plan and the Conditions of Approval will reduce the potential impacts caused by surface runoff.

Mitigative Measures: None

Name of specialist and date: Barb Blackstun 05/24/06

WETLANDS/RIPARIAN ZONES

Affected Environment: No riparian habitat exists in the project area.

Environmental Consequences: None

Mitigative Measures: None

Name of specialist and date: Timothy Novotny 05/31/06

WILD & SCENIC RIVERS

Affected Environment: Not present.

Environmental Consequences: Not applicable.

Mitigative Measures: Not applicable

Name of specialist and date: Jim McBrayer 05/31/06

WILDERNESS, WSAs

Affected Environment: Not present.

Environmental Consequences: Not applicable.

Mitigative Measures: Not applicable

Name of specialist and date: Jim McBrayer 05/31/06

NON-CRITICAL ELEMENTS

FLUID MINERALS

Affected Environment: The proposed action is in favorability zone 4 (highest for oil and gas potential). This well will penetrate the Wasatch, Fort Union, Lance, Fox Hills, Lewis, and Almond Formations. This well is being drilled to develop conventional gas sands. Coals have been identified in the 8-point drilling plan and they are identified as potential gas pay targets.

Environmental Consequences: The proposed casing and cementing programs appear to be adequate to protect and/or isolate all resources identified above.

Mitigative Measures: None

Name of specialist and date: Fred Conrath 06/07/06

PALEONTOLOGY

Affected Environment: The geologic formation at the surface is the <u>Tertiary age Main</u> <u>Body of the Wasatch Formation (Twm, Tw)</u>, a soft light-gray, red, green, white, yellow and purple claystone, shale, sandstone, siltstone, and conglomeratic sandstone, of fluvial and lacustrine origin and intertongues with the Green River Formation. This formation has been classified as a Class Ia formation for the potential occurrence of scientifically significant fossils.

Environmental Consequences: Scientifically significant fossils are found abundantly within this formation (Armstrong & Wolney, 1989). The potential for discovery of significant fossils on this location is considered to be high. If any such fossils are located here, construction activities could damage the fossils and the information that could have been gained from them would be lost. The significance of this impact would depend upon the significance of the fossil. The proposed action could also constitute a beneficial impact to paleontological resources by increasing the chances for discovery of scientifically significant fossils.

| | The terrain is such that outcrops are exposed (eg. Badlands), therefore, a surface survey for paleontological resources will be required prior to surface disturbance. |
|---|--|
| | The majority of the terrain is covered with developed soils and vegetation Therefore, a surface survey for paleontological resources will not be required. |
| X | _ The proposed action constitutes limited surface disturbance so as to make discovery of fossils by surface survey unlikely. |

Mitigative Measures: ceasing operations and notifying the Field Office Manager immediately upon discovery of a fossil during construction activities can effectively mitigate this impact. An assessment of the significance is made and a plan to retrieve the fossil or the information from the fossil is developed.

The majority of the terrain is covered with developed recent soils and vegetation. Therefore, a surface survey for paleontological resources will not be required.

Standard Discovery Stipulation

"If cultural or paleontological resources are discovered during exploration operations under this license, the licensee shall immediately notify the Field Office Manager and shall not disturb such discovered resources until the Field Office Manager issues specific instructions.

- a. Within 5 working days after notification, the Field Office Manager shall evaluate any cultural resources discovered and shall determine whether any action may be required to protect or to preserve such discoveries.
- b. The cost of data recovery for cultural resources discovered during exploration operations shall be borne by the licensee, if the licensee is ordered to take any protective measures. Ownership of cultural resources discovered shall be determined in accordance with applicable law."

References

Armstrong, Harley J. and Wolney, David G., 1989, Paleontological Resources of Northwest Colorado: A Regional Analysis, Museum of Western Colorado, Grand Junction, CO, prepared for Bur. Land Management, Vol. I of V.

Miller, A.E., 1977, Geology of Moffat County, Colorado, Colo. Geol. Surv. Map Series 3, 1:126,720.

Name of specialist and date: Robert Ernst 05/25/06

REALTY AUTHORIZATIONS

Affected Environment: The project route crosses or is adjacent to existing realty authorization COC0126106, held by Questar Pipeline Company.

Environmental Consequences: Existing pipelines could be accidentally damaged during construction activities. Impacts would be temporary until the damage is repaired.

Mitigative Measures: Damage to existing pipelines would be minimized by:

- Utilize the "One Call" system to locate and stake the centerline and limits of all underground facilities in the area of proposed excavations.
- Provide 48 hour notification to the owner/operator of facilities prior to performing any work within 10 feet of buried or above ground pipelines.

Name of specialist and date: Louise McMinn 05/30/06

SOILS

Affected Environment: The proposed Silver Federal Well #1 would be located within the Pinelli loam soil-mapping unit. The Pinelli loam is found on foot slopes and toe slopes. This soil is very deep and well drained. It formed in alluvium derived from shale. Slopes within this unit average 3 to 8 percent. Runoff is medium and the hazard of wind and water erosion is moderate.

Environmental Consequences: The construction and operation of the Silver Federal Well #1 would affect soils within and immediately adjacent to the proposed area of disturbance. Increased soil erosion from wind and water would occur during construction of the well pad and access road. Erosion would continue throughout the operational life of the well. Loss of topsoil, soil compaction, and possible increases in sediment loads to drainages are impacts most likely to occur. Vegetation and soil would be removed from approximately 2.2 acres of land. Soil productivity would decline due to reduced soil microbial activity, impaired water infiltration, mixing of soil horizons, top soil loss, and introduction of weeds. Soil loss from construction would be greatest shortly after project start and would decrease in time as a result of stabilization through revegetation and reclamation of disturbed areas. Soil erosion would be reduced to an acceptable level with the mitigation described in the Surface Use Plan and Conditions of Approval in the approved APD. This mitigation will reduce the potential to have excessive sediments and salts in runoff water from the well site.

Mitigative Measures: Additional mitigative measures will be employed to prevent or reduce accelerated erosion if it begins to occur within or on constructed drainage and diversion ditches or surface drainages affected by the road or well pad.

Name of specialist and date: Barb Blackstun 05/24/06

VEGETATION

Affected Environment: The proposed well action is located on private land. Predominate vegetative cover is mainly sagebrush/native grasses with an over abundant amount of cactus.

Environmental Consequences: The total disturbance caused by road construction and well pad construction is minimal, and would not jeopardize the greater herbaceous community, as long as appropriate weed management practices are employed.

Mitigative Measures: None

Name of specialist and date: Amy Ruhs 05/23/06

WILDLIFE, AQUATIC

Affected Environment: There is no aquatic wildlife habitat in the proposed project area.

Environmental Consequences: None

Mitigative Measures: None

Name of specialist and date: Timothy Novotny 05/31/06

WILDLIFE, TERRESTRIAL

Affected Environment: The proposed well pad and access road are located in year round habitat for pronghorn antelope, mule deer and elk including severe winter range for pronghorn. The project area also provides habitat for a variety of small mammal birds and reptile species.

Environmental Consequences: Impacts to wildlife species from oil and gas development are discussed in the Colorado Oil and Gas EIS (1991). Impacts include, but are not limited to, displacement into less suitable habitat, increased stress, and loss of habitat. These impacts are more significant during critical seasons, such as winter or reproduction. All wildlife species using the area are likely to be displaced during construction and drilling activities and may find the project area less suitable once construction is complete.

Most small mammals using the project area would be capable of avoiding construction equipment and should not be directly harmed by these activities. Some burrowing animals may be killed by construction equipment. This should be considered a short-term negative impact that is not likely to harm populations of any species.

Mitigative Measures: CO-9 no surface disturbing activities will be permitted between December 1 and April 30 in order to protect winter big game animals from disturbance.

Name of specialist and date: Timothy Novotny 05/31/06

OTHER NON-CRITICAL ELEMENTS: For the following elements, those brought forward for analysis will be formatted as shown above.

| Non-Critical Element | NA or Not | Applicable or | Applicable & Present and |
|------------------------|-----------|--------------------|------------------------------|
| | Present | Present, No Impact | Brought Forward for Analysis |
| Fluid Minerals | | | See Fluid Minerals |
| Forest Management | BB | | |
| | 05/24/06 | | |
| Hydrology/Ground | | FC 06/07/06 | |
| Hydrology/Surface | | BB 05/24/06 | |
| Paleontology | | | See Paleontology |
| Range Management | | AR 05/23/06 | |
| Realty Authorizations | | | See Realty |
| Recreation/Travel Mgmt | | RS 05/30/06 | |

| Socio-Economics | | LM 05/30/06 | |
|--------------------|----------|-------------|--|
| Solid Minerals | | RE 05/25/06 | |
| Visual Resources | | JM 05/31/06 | |
| Wild Horse & Burro | BB | | |
| Mgmt | 05/24/06 | | |

<u>CUMULATIVE IMPACTS SUMMARY</u>: Cumulative impacts may result from the development of the Silver Federal Well #1 when added to non-project impacts that result from past, present, and reasonably foreseeable future actions. The potential exists for future oil and gas development throughout the area. Currently several producing natural gas wells exist within a one-mile radius of the proposed well. Past or existing actions near the project area that would influence the landscape include wildfire, recreation, hunting, grazing, and ranching activities.

Surface disturbance associated with oil and gas activity would increase the potential for erosion and sedimentation. Only a small reduction in available forage would be anticipated. Some wildlife species may be temporarily displaced by construction at the well site and access road, but should return once construction is completed. Displacement of hunters and recreationists during the short-term construction and drilling periods would occur. Contrasts in line, form, color, and texture from development would impact the visual qualities on the landscape.

The cumulative effects of projected oil and gas development are minimized through Best Management Practices identified in the Surface Use Plan of the APD and the BLM required mitigation in the Conditions of Approval for the APD. Proper construction and drilling practices must comply with federal and state environmental regulations. All oil and gas wells in the area would be completed in accordance with Onshore Order No. 2. Reasonably foreseeable mineral development would occur under the guidelines of the Little Snake Resource Management Plan and the Colorado Oil and Gas Leasing and Development EIS.

STANDARDS:

PLANT AND ANIMAL COMMUNITY (animal) STANDARD: The proposed project area provides productive habitat for a variety of big game, small mammals, birds and reptiles. Habitat conditions at the well pad location are considered good and are currently capable of supporting healthy wildlife populations. The disturbance associated with the development of this well will likely result in a short-term displacement of wildlife from the project area. Once construction is complete, many will return to the project area but may avoid use of the well pad area. Surrounding habitat that will remain undisturbed should be sufficient to support displaced wildlife. This standard is currently being met and will continue to be met in the future.

Name of specialist and date: Timothy Novotny 05/31/06

SPECIAL STATUS, THREATENED AND ENDANGERED SPECIES (animal) STANDARD: There are no threatened, endangered or special status species present in or near the project area. This standard does not apply.

Name of specialist and date: Timothy Novotny 05/31/06

PLANT AND ANIMAL COMMUNITY (plant) STANDARD: The plant communities impacted by the Proposed Action are currently meeting this standard. Weeds, particularly halogeton, must be addressed and all principles of invasive weeds control should be employed. Given this mitigation measure, the Proposed Action would meet this standard. The No Action Alternative would also meet this standard because the disturbances would not occur.

Name of specialist and date: Amy Ruhs 05/23/06

SPECIAL STATUS, THREATENED AND ENDANGERED SPECIES (plant) STANDARD: There are no federally listed threatened or endangered or BLM sensitive plant

STANDARD: There are no federally listed threatened or endangered or BLM sensitive plans species within or in the vicinity of the Proposed Action. This standard does not apply.

Name of specialist and date: Hunter Seim 05/25/06

RIPARIAN SYSTEMS STANDARD: The riparian standard for healthy public lands will not be affected by the proposed action.

Name of specialist and date: Timothy Novotny 05/31/06

WATER QUALITY STANDARD: The proposed action would meet the public land health standard for water quality. Interim reclamation of the unused area on the well pad will be completed to minimize sheet and rill erosion from the well sites. When the well pad and access road are no longer needed for production operations, the disturbed areas would be reclaimed to approximate original contours, topsoil would be redistributed, and adapted plant species would be reseeded. These Best Management Practices would help to reduce accelerated erosion of the sites. No stream segments near this project are listed as impaired.

Name of specialist and date: Barb Blackstun 05/24/06

UPLAND SOILS STANDARD: The proposed action will not meet the upland soil standard for land health, but it is not expected to while the well location and access road are used for operations. The well pad site and access road will not exhibit the characteristics of a healthy soil. Several Best Management Practices have been designed into the project or are attached as mitigating measures that will reduce impacts to and conserve soil materials. Upland soil health will return to the well pad and access road disturbances after well abandonment and reclamation practices have been successfully achieved.

Name of specialist and date: Barb Blackstun 05/24/06

<u>PERSONS/AGENCIES CONSULTED</u>: Uintah and Ouray Tribal Council, Colorado Native American Commission, Colorado State Historic Preservation Office.

FINDING OF NO SIGNIFICANT IMPACT (FONSI) EA CO-100-2006-077

Based on the analysis of potential environmental impacts contained in the EA and all other available information, I have determined that the proposal and the alternatives analyzed do not constitute a major Federal action that would adversely impact the quality of the human environment. Therefore, an EIS is unnecessary and will not be prepared. This determination is based on the following factors:

- 1. Beneficial, adverse, direct, indirect, and cumulative environmental impacts have been disclosed in the EA. Analysis indicated no significant impacts on society as a whole, the affected region, the affected interests, or the locality. The physical and biological effects are limited to the Little Snake Resource Area and adjacent land.
- 2. Public health and safety would not be adversely impacted. There are no known or anticipated concerns with project waste or hazardous materials.
- 3. There would be no adverse impacts to regional or local air quality, prime or unique farmlands, known paleontological resources on public land within the area, wetlands, floodplain, areas with unique characteristics, ecologically critical areas, or designated Areas of Critical Environmental Concern.
- 4. There are no highly controversial effects on the environment.
- 5. There are no effects that are highly uncertain or involve unique or unknown risk. Sufficient information on risk is available based on information in the EA and other past actions of a similar nature.
- 6. This alternative does not set a precedent for other actions that may be implemented in the future to meet the goals and objectives of adopted Federal, State, or local natural resource related plans, policies, or programs.
- 7. No cumulative impacts related to other actions that would have a significant adverse impact were identified or are anticipated.
- 8. Based on previous and ongoing cultural surveys, and through mitigation by avoidance, no adverse impacts to cultural resources were identified or anticipated. There are no known American Indian religious concerns or persons or groups who might be disproportionately and adversely affected as anticipated by the Environmental Justice Policy.

- 9. No adverse impacts to any threatened or endangered species or their habitat that was determined to be critical under the Endangered Species Act were identified. If, at a future time, there could be the potential for adverse impacts, treatments would be modified or mitigated not to have an adverse effect or new analysis would be conducted.
- 10. This alternative is in compliance with relevant Federal, State, and local laws, regulations, and requirements for the protection of the environment.

<u>DECISION AND RATIONALE</u>: I have determined that approving this APD is in conformance with the approved land use plan. It is my decision to implement the project with the mitigation measures provided in the Application for Permit to Drill and the Conditions of Approval. The project will be monitored as stated in the Compliance Plan outlined below.

MITIGATION MEASURES: The mitigation measures for this project are found in the file room of the Little Snake Field Office. The APD's 13-point surface use plan, well location maps, and the Conditions of Approval are found in the well's case file labeled COC59223, Well #1.

COMPLIANCE PLAN(S):

Compliance Schedule

Compliance will be conducted during the construction phase and drilling phase to insure that all terms and conditions specified in the lease and the approved APD are followed. In the event a producing well is established, periodic inspections as identified through the Inspection and Enforcement Strategy and independent well observations will be conducted. File inspections will include a review of all required reports and the Monthly Report of Operations will be evaluated for accuracy.

Monitoring Plan

The well location and access road will be monitored during the term of the lease for compliance with pertinent Regulations, Onshore Orders, Notices to Lessees, or subsequent COAs until final abandonment is granted; monitoring will help determine the effectiveness of mitigation and document the need for additional mitigative measures.

Assignment of Responsibility

Responsibility for implementation of the compliance schedule and monitoring plan will be assigned to the Fluid Mineral staff in the Little Snake Field Office. The primary inspector will be the Petroleum Engineering Technician, but the Petroleum Engineer, Natural Resource Specialist, Realty Specialist, and Legal Instruments Examiner will also be involved.

SIGNATURE OF PREPARER: Barb Blackstun

DATE SIGNED: 07/06/06

SIGNATURE OF ENVIRONMENTAL REVIEWER: Duane Johnson

DATE SIGNED: 07/06/06

SIGNATURE OF AUTHORIZED OFFICIAL: Jerry Strahan

DATE SIGNED: 07/12/06